Tells the Facts and Names the Names

$2.50

CounterPunch

June 16-30, 2005 *Alexander Cockburn and Jeffrey St. Clair* VOL. 12, NO. 12

Graded as Dupe, Not Commie

By Alexander Cockburn

On a college campus near you, the CIA may well be paying for some student who's made a secret deal to work for the government in return for financial support. These indentured spooklets are already undercover, observing and possibly relaying manifestations of disloyalty to their masters in Washington. David Price told the whole saga in his piece in our recent issue,"The CIA's University Spies".

There's a tradition here, and CounterPuncher Robert Hilliard of Cambridge, Mass., describes it to us in a letter.

"In the early 1950s, during the heyday of McCarthyism, I was teaching an evening course in English Literature at New York's Brooklyn College. Readings included such works as Joyce's *Portrait of the Artist*, Bellamy's *Looking Backward*, Shaw's *Major Barbara* and a Shakespeare play. The paranoia of the time resulted in many people, including government officials, considering any controversial or nonconformist literature as subversive.

"One of the students in the class always appeared in a suit and tie, not necessarily unusual because a number of the students came directly from their work places. That he appeared to be in his late 20s was also not unusual, inasmuch as many of the students were in their 30s and even 40s.

"At the end of the semester he came to me and said, 'Mr. Hilliard, I want you to know I'm not going to report you.'

'Report me for what?'

'Well, I don't think you're really a communist, just a dupe.'

'I don't understand', I said, really not understanding.

'As you may know, there are a lot of us hired by the House Committee on Un-American Activities to sit in classrooms

(**Dupes** *continued on page 2)*

Is This *Really* an "Insurgency" to Shake Up the Unions?

By JoAnn Wypijewski

The day nears for the 50th national convention of the AFL-CIO, opening in Chicago on July 25. The meeting is being heralded as a possibly fateful encounter, in which forces of enlightenment and reaction will wrestle over the future of organized labor.

It would be pleasant to set forth the impending showdown in Chicago as one in which the self-styled "insurgents" have a convincing plan for regenerating a labor movement, a plan made credible and compelling by their own past achievements. God knows, organized labor needs shaking up. The cliché is true: unions are in crisis. But an honesty equal to the crisis is not forthcoming.

Ten years ago, upon assuming leadership, Sweeney called on unions to organize but never forced a debate on what kind of unions workers were being organized into. Were they accountable to their members? Did they even know their members? As a minority force, could they collectively break with their fiefdom orientation and advance the interests of the broader working class?

Would they purge themselves of corruption, sexism, racism and arrogance? Would they adjust their leaderships and practices to organize blacks, immigrants, women and anyone in the growing unregulated economy?

Could they develop a disciplined, independent political strategy, not simply to elect politicians but to challenge the corporate state and leverage power?

Would they confront their own failings in order to act globally, to cooperate locally, to revive the strike as a weapon, to reverse an ugly course of sacrificing workers for short-term gain, to stop fleecing workers for a leader's enrichment or manipulating them for a leader's pride?

Would they help workers have real power on the job, in society, in the union?

Whether reputed progressives or outright scoundrels the mutineers present no model of thoroughgoing positive change. If, together, they succeed in splitting the federation, they will be no closer to throwing down the challenge implicit in the questions that could not be asked ten years ago. Those are movement questions, and whatever emerges from the institutional coup or counter-coup about to be joined should not be confused with a labor movement.

Who are the swashbucklers who have claimed the spotlight so far? They are six union officials with little in common but their sex and race, hatred of some of the federation staff and leadership, and size of their memberships or egos. Representing five unions with about a third of the federation's members, they have banded together under a program whose only live demands (because the only ones they uniformly agree on) are more power for themselves in an Executive Committee of select larger unions and a 50 percent rebate on the dues their unions pay to belong to the federation. Three of their executive councils have authorized these men to pull their unions out of the AFL-CIO whenever they see fit.

On June 15, the six held a press conference in Washington to announce a new name for themselves, the Change to Win Coalition, which may become a parallel federation in the event of an exodus in Chicago, and in any case throws up the institutional

(**Labor** *continued on page 4)*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

(**DUPES** *continued from page 1*)

throughout the country and report our professors in order to help the Committee weed out communist teachers. But I'm not going to mention you in my report. I just want you to know so you can be more careful in what you teach in the future.'

"As a colleague said to me the other day, 'we're not, in 2005, moving towards another McCarthy era and fascism – we're already there'."

Thank you, Robert. Mind you, here, at *CounterPunch,* we don't think we're under the fascist jackboot yet; but then, we're incorrigible optimists.

The Luckiest Martyr

By Alexander Cockburn and Jeffrey St Clair

Is there ever anyone luckier than Judy Miller! All last year she was pilloried as the prime saleslady for the imaginary WMDs that offered the prime pretext for the invasion of Iraq. Although it refused to denounce her by name, the *New York Times* publicly castigated itself for poor reporting, and Miller's career seemed to be at an end.

But then came a glimmer of hope. With unexpected zeal, special prosecutor Patrick Fitzgerald was pressing his investigation of who exactly outed Valerie Plame as a CIA officer. Plame is the wife of Joe Wilson, who had incurred the displeasure of the Bush White House by discrediting the phony Nigerian yellowcake story, part of their vast propaganda operation to sell the Iraq attack to Congress and the American people.

Fitzgerald was threatening journalists with prison time unless they disclosed their sources. It wasn't long before some journalists informed the zealous Fitzgerald that they had been released from confidentiality by their sources. Indeed, Scooter Libby, Cheney's chief of staff, declared publicly that any journalist who had talked to him was free to discuss such conversations with Fitzgerald. *The Washington Post*'s Walter Pincus and Glenn Kessler testified forthwith before the federal grand jury, as did Tim Russert of NBC. The general assumption is that Robert Novak, who'd outed Plame in his column in July 2003, was subpoenaed by Fitzgerald and duly testified.

How Miller's heart must have leaped. Here was the glorious prospect of her instant conversion from pariah, only one rung up from Jayson Blair, to martyr to free speech, only one rung below John Peter Zenger. She and Matt Cooper of *Time* magazine declined to testify or furnish their notes. The cases commenced their climb up through the federal courts, until the U.S. Supreme Court refused to review the ruling of the federal appeals court in favor of Fitzgerald. *Time* magazine roared its dedication to free speech, while simultaneously declaring it had to obey the law of the land. Against Cooper's proclaimed wishes, *Time* handed over Cooper's notes to Fitzgerald. The *New York Times* said it would not comply.

But Fitzgerald was not to be appeased by only Cooper's notes. By now he wanted to grill the two journalists on the stand. The issue was not just the matter of the identity of the White House source, but that handy standby of all federal prosecutors, perjury. Ask Martha Stewart. It was her misleading declarations to federal investigators that put her in prison.

Cooper bid a manly adieu to his family, packed his toothbrush, and made himself ready for incarceration at least as far as October, when the grand jury's term expires. Then came the dramatic release from confidentiality by Cooper's source. Cooper went off to court, embraced Judy Miller in a fine display of solidarity, and then told the judge he would comply with Fitzgerald's subpoena.

Miller, of course, was publicly adamant. But there seems to be no reason why she should not have echoed Cooper's statement to Judge Thomas Hogan. Fitzgerald has publicly declared that not only does he know the identity of Miller's source, but also that this source has released Miller from confidentiality.

But Miller was not be balked of the martyrdom that will blot out her fake stories on Iraq's WMDs and convert her into the heroine of the Fourth Estate, with lucrative lecture fees and book sales for the rest of the decade. Never, she told the judge, would she reveal the Name that could not be named.

There are curious questions hanging over Miller's determined march towards her prison cell.

Miller never actually wrote a story in the *New York Times* about Plame being in the CIA. So why has Fitzgerald been so eager to have her testify? The answer may lie in a paragraph buried in one *Washington Post* story: "Sources close to the investigation say there is evidence in some instances that some reporters may have told government officials – not the other way around – that Wilson was married to Plame, a CIA employee."

We could conjecture that when Fitzgerald interviewed White House political adviser Karl Rove and Cheney's chief of staff, Scooter Libby, one or other or both had said that they learned Plame was married to Wilson and in the CIA from Miller, who – again this is surmise – might well have learned this from one of her other sources, whether Perle or Chalabi or someone in the intelligence world.

After all, this is Miller's style of reporting. Learn something from one source, then bounce it off another, and then put together a story citing two sources. In the case of the WMDs, Chalabi would give her a "defector" who would duly impart his fantasies about Saddam's arsenal. She would relay the defector's story to "a high intelligence source" who would confirm it.

We applaud prosecutor Patrick Fitzgerald's gallant bid \grill Miller about the techniques and veracity of her reporting. Here, after all, is a journalist with blood on her hands, who played a major role (rivaled perhaps only by the *New Yorker's* Jeffrey Goldberg) in selling a war with one fabrication after another, eagerly offered to the public by the *New York Times.*

Footnote: The item on Judy Miller ran on our website, but we know that many print-bound CounterPunchers take a keen interest in Miller, and we wouldn't want them to miss this chapter in her long and mostly shameless career.

Editors
Alexander Cockburn
Jeffrey St. Clair

Business
Becky Grant

Design
Deborah Thomas

Counselor
Ben Sonnenberg

Published twice monthly except August, 22 issues a year:
$40 individuals,
$100 institutions/supporters
$30 student/low-income
CounterPunch.
All rights reserved.
CounterPunch
PO Box 228
Petrolia, CA 95558
1-800-840-3683 (phone)
counterpunch@counterpunch.org
www.counterpunch.org

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

"Gee, You Guys Used to Be Interested in Making Money"

What "Defense" Really Means

By JEFFREY ST. CLAIR

In the fall of 2001, in the wake of the 9/11 attacks, Boeing was on the cliff edge, inches away from plummeting into bankruptcy. The domestic airline industry was reeling, and Boeing had seen some huge contracts go to Airbus and Lockheed. Also, it had alienated many of its shareholders and political patrons by its abrupt decision to relocate its headquarters from Seattle to Chicago. Then came rescue in the form of what we'll call Tankerscam.

For Boeing, it seemed like the deal of the new century, a no-risk $30 billion contract with the Pentagon to lease a refurbished fleet of 767 passenger jets to serve as refueling tankers for the U.S. Air Force.

It didn't matter that the Air Force, by its own admission, didn't particularly need any more tankers. Or that there were serious technical shortcomings with the Boeing planes. It also didn't matter that the lease arrangement, promoted as a low-cost upgrade for an aging tanker fleet, would in the end cost the government at least $2 billion more than if the Air Force had simply bought the planes outright.

All of that was beside the point. Tankerscam's function – the most expensive government lease in the history of the United States – was to pump billions into Boeing in the company's desperate hour of need.

The scheme was first hatched at a meeting in late September 2001 between Boeing executives and Darlene A. Druyun, then Deputy Assistant Secretary of the Air Force, and Major General Paul Essex, then head of the Air Force's Global Reach Program.

A week later Druyun's boss, Air Force Secretary James Roche, was on Boeing's board. He rushed off a letter to key senators and congressmen urging Congress to okay the deal, even though the Air Force had yet to conduct a legally required review of alternatives to the plan.

When Roche's letter endorsing the tanker lease with Boeing went out to congress, it landed on the desk of one senator was very glad to see it, Ted Stevens of Alaska. In fact, according to Winslow Wheeler, a longtime top-level senate staffer on defense matters, it was Stevens who set the entire scheme into motion.

Since the retirement of Henry "Scoop" Jackson, the Washington Democrat known as the Senator from Boeing and the father of the neocons, Stevens has toiled as Boeing's point man on the Hill.

Wheeler tells us, Stevens placed a call to Druyun's office at the Air Force shortly after 9/11 urging her to develop a plan using "creative financing" to get 100 Boeing 767s as replacements for the Air Forces fleet of KC-137 tankers. Stevens explained that by "creative financing" he meant that the Air Force should lease the refurbished planes from Boeing rather than purchase them outright. In Steven's view, the deal served all concerned. Boeing would get a $30 billion stream of revenue and would be able to keep its line of 767s in production despite the downturn in domestic air travel.

A few weeks after he made his call to Air Force headquarters, the senator from Anchorage turned up in Seattle for a fundraiser in his honor sponsored by the Boeing Company. At this event, Stevens pulled in more than $22,000 in campaign contributions from Boeing executives in charge of the company's 767 division. Stevens, of course, denies any connection between Tankerscam and the campaign slush from Boeing. But it's a fine line between a payment for services rendered and a routine political gratuity.

By the second week of December, the Boeing deal had been approved by both Congress and President Bush.

Then it all began to unravel.

The first crack opened when Darlene Druyun announced that she was retiring from her post as the Air Force's top procurement officer and taking a $250,000 position with Boeing, as a deputy vice-president for the company's Missile Defense Program Unit. It would soon emerge that Druyun had negotiated her new job as she was putting the finishing touches on the Boeing tanker deal.

Next came a flood of leaks to congress and the press by Pentagon whistleblowers exposing the soaring costs of the deal and corrupt means by which it was executed.

As the deal began to unravel, Roche became agitated. He blamed Boeing for not putting enough pressure on key members of congress. He querulously emailed Michael Sears, Boeing's Chief Financial Officer, and company CEO Phil Condit. "Gee, Mike," Roche wrote. "When I knew you and Phil, I had the sense you wanted to make money. Guess I was wrong."

Following Roche's proddings, Boeing pressed for a meeting at the White House. They got one with Andrew Card, Bush's chief of staff. Card emerged from the session full of promises to salvage the deal.

Even as they tried to save the tanker-leasing program, both the Pentagon and Boeing began to look for a patsy to blame if it all went down in flames. By all accounts, Druyun had few friends. During her 15 years at the Pentagon, where she eventually became one of the most powerful women in the history of the Air Force controlling the fate of more than $50 billion in contracts a year, she became known for her abrasive and autocratic personality, burning dozens of colleagues on her rise to the top.

In a move fatal to his own future, Sears responded eagerly to Heather's requests.

When a grand jury was convened to investigate the contract, Druyun was offered up as the sacrificial lamb. She was an easy target. She had negotiated her job with Boeing while she was overseeing Boeing's contracts with the Air Force. This was a clear violation of federal law, although it happens nearly every day in the Pentagon and is rarely enforced. Exactly who turned her in remains something of a mystery. Both Boeing and the Pentagon may have had reasons to cut their losses.

Within a few weeks of her indictment, Druyun, facing the prospect of a daunting stint in the federal penitentiary, began to negotiate a plea with federal prosecutors. In exchange for a guilty plea on one count of conspiracy. Druyun agreed to cooperate with the prosecutors. Her tale of corruption emerged slowly. After two failed polygraph

(**Defense** *continued on page 6)*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

scaffolding for continuing cooperation and intra-federation rivalry in the spirit of "build it and they [meaning unions not currently part of this coalition of the willing] will come".

The coalition's leaders right now are:

* Andy Stern, president of SEIU, the nation's biggest union, with 1.8 million members. Hailed as the most progressive and growth-oriented union, SEIU is the leader of the pack and, with plans laid since 2004, the most likely to leave the federation.

Yet for most of the past ten years that his former mentor, John Sweeney, has been president of the AFL-CIO, Stern has been instrumental in everything from the staffing of the organizing department, to the policy on immigration, to the effort to consolidate state and local labor bodies, to the endorsement of political candidates (spending $65 million of his poor members' money, more than the total spent by the AFL, to try to elect John Kerry). One of Stern's brains trust, Steve Lerner, had charge of the AFL's failed strawberry campaign, its failed Las Vegas building trades campaign, and is married to the woman who headed the AFL's ridiculously bloated and now dissolved field mobilization department.

At least part of SEIU's growth over the years is attributable to deal-making, sometimes promising corporations help in lobbying state regulators in return for union recognition, or promising state governments workers at a discount. It added 70,000 Illinois child care and home health care workers over the past two years, thanks first to an internal AFL process that awarded SEIU jurisdiction over those workers, and then to a pact with Governor Rod Blagojevich, a Democrat elected in 2002 with the help of all of organized labor.

Obsessed with size and consolidation, SEIU is notable for the biggest, most geographically outstretched (therefore least participatory) locals, the most aggressive application of trusteeship (stripping power from an inordinate number of locals), and the heaviest reliance on national staff with no experience in the jobs or culture of the workers.

It is a union with a huge black, Latino and female membership – representatives of whom were arranged like altar bouquets round the dais on June 15, along with dark-skinned and female members of the other coalition partners for a more alluring portrait of labor's future than six middle-aged white guys could have presented on their own. But SEIU is not invulnerable to fissures along these lines. Beyond frustration with the famous arrogance of the white-dominated national staff, members active in the Coalition of Black Trade Unionists and other federation minority constituency groups are aware of those bodies' deep disquiet over "insurgent" plans, which they regard as a retreat from inclusion.

When Stern got the go-ahead from his executive council to pull out of the federation, the bigger news was that Dennis Rivera and New York's powerful, highly political 1199 abstained. Rivera had been ready to give his okay, but directors and rank-and-file representatives on the 1199 board thought otherwise. 1199 is the example SEIU vice president and Stern's sometimes-uneasy black front man Gerry Hudson raises when he needs to assure leftish audiences of the conscious engagement of SEIU's rank and file. The abstention underscores why it's the rare example; no leader likes a power struggle. Outside 1199, it's not difficult to find members of SEIU who have no idea what union they're in. A couple of years ago random members of Local 32B-J in New York could tell me no more than the local number. An SEIU nursing home worker in Ohio whom I asked to name her union last year said simply, "AFL-CIO".

The cliché is true: unions are in crisis. But an honesty equal to the crisis is not forthcoming.

* James P. Hoffa, president of the Teamsters, the nation's biggest general union, representing everyone from truckers to warehousers to clerks to casino workers to nurses and public defenders. The Teamsters has 1.4 million members. Its most recent "organizing" leap was the acquisition through merger of 60,000 graphic communications workers. Before Hoffa joined the reformer chorus, general unionism was its *bete noire*; forced mergers and union reorganization along lines inimical to the Teamsters' go-for-anything approach formed the centerpiece of its demands.

Hoffa's own grasp of organizing is tenuous. He is close to the most reactionary and corrupt elements in the Teamsters. His most energetic political interventions have been to thump for Arctic drilling and to attack his own reform-minded members. Yet Hoffa was embraced by Stern when the former proposed the 50 percent dues rebate. Though it has been promoted as an incentive to organizing, the dues rebate is, in essence, a tax cut for the largest, richest unions. It is now the top "insurgent" demand, on which, they say, they will brook no compromise.

The Teamsters' bold outlook? In 2008, they face the expiration of the UPS contract, and now UPS has paid over a billion dollars for the nonunion freight giant Overnite, which crushed the Teamsters in an ignominious three-year strike. The architects of the famous, successful UPS strike, which depended heavily on financial and foot soldier support from the AFL, are either no longer with the union or on Hoffa's enemies list.

Hoffa's brand of "aggressive organizing", his coalition partners' chief commandment, is best illustrated by his collaboration with Tyson Foods earlier this year to decertify his own union's Local 556 in Pasco, Washington. The 1,500 meatpackers had been led by Maria Martinez, a co-chair of Teamsters for a Democratic Union. After a relentless campaign, in which workers were bombarded by literature bearing Hoffa's attacks on the local leadership, threatened with plant closure and forced to vote twice, the workers capitulated. They are now among the 92 percent of private sector workers whom the Change to Win Coalition has dedicated itself to unionizing.

* Joe Hansen, president of the food and commercial workers (the UFCW, with 1.4 million members). Hansen is given to thundering in the press that "the status quo will not stand", and in the spring wrote Sweeney a self-important letter hinting at disaffiliation. His executive council has given him authorization to pull out.

Hansen is intimate with the status quo, his reputation stamped in the mid-1980s when he was the UFCW leadership's tool in destroying the strike and ultimately the union of meatpackers with Local P-9 at the Hormel plant in Austin, Minnesota. "P-9" is one of those markers in labor history, emblem of both the courageous spirit of rank-and-file workers and the machinations of treacherous union leadership. Hansen, who'd plotted with strikebreakers, was made the trustee from which position he expelled the workers' elected leaders, offered unconditional surrender to the company, and saw to it that none of the strikers ever returned to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

work.

His most notorious action was sandblasting a 16x80 foot mural that 100 workers had painted on a labor center wall, doing it himself with the other trustees after the Austin building trades refused, and erasing first the painted faces of the workers and then the slogan "Solidarity".

Today UFCW is the exemplar of business unionism, making deals for new members, pushing two-tier contracts, pitting worker against worker where it isn't ignoring them, clueless how to plan, never mind win, a strike as Southern California grocery workers learned bitterly after five months out, hapless in its approach to Wal-Mart (a campaign for which the coalition demands the AFL contribute $25 million).

* Terry O'Sullivan, president of the Laborers, running a union of 800,000 members. Having never worked in the trades, Sullivan owes his job to patrimony, another feature, along with familiarity with the Mob, that he shares with Hoffa. The elder O'Sullivan had been secretary-treasurer of the union and close to the Coias, who ran the union like a fiefdom along with organized crime.

To avoid federal trusteeship, Arthur Coia Jr., then head of the Laborers, instituted an in-house clean-up crew with its own investigators, whom he appointed, ultimately stepping down as president in 2000 though not before insuring for himself a lifetime salary on the backs of some of the lowest paid workers in organized labor. O'Sullivan Jr. was part of the makeover, a young, educated non-Italian. He is eloquent on immigrant rights and the injustice of a globalization system that rewards the mobility of capital while punishing the mobility of workers, a nod to the many transnational workers in his membership and industry.

O'Sullivan has not asked his executive council for authorization to pull out, and harbors his own ambitions to lead the AFL-CIO but is covering all bases. Meanwhile, he can't even clean up his own union. As recently as last year, the onetime acting chief of the FBI's labor racketeering unit and a former internal investigator for the union, Ronald Fino, wrote to the U.S. Attorney in Chicago saying that Coia's influence remains through his lackeys in the union and arguing that although action had been taken against some mobbed-up locals or district councils in Chicago, Buffalo, New York, and New Jersey, "the bare truth is this: the whole consent decree program has been a sham. A vehicle to remove Coia opponents and replace them with Coia loyalists, a vehicle where certain Genovese family controlled officials have been allowed to escape prosecution and allowed to strengthen their position."

* Bruce Raynor and John Wilhelm, general president and chief of the hospitality division, respectively, of the merged UNITE HERE (apparel, laundry and hotel and restaurant workers), with 450,000 members. Like Stern, they are beloved by progressive labor academics and journalists and provided the necessary gloss of militancy and élan to the NUP. It's trickier now, not only because they have been outdone in pure heft and bombast by coalition partners Hoffa and Hansen, but also because the recent enlistment of the already disaffiliated Brotherhood of Carpenters to the Change to Win Coalition has allowed reactionary or unattractive unions to outnumber putatively progressive ones among the "insurgents".

But Raynor and Wilhelm, who both started out as political activists and organizers, haven't got where they are without learning to accommodate thieves. Raynor never did declare war on the shakedown artists in UNITE's garment locals, just as Wilhelm has not purged Mob influence from all of HERE. Raynor's number two man at UNITE, Edgar Romney, presided over a domain of union shops in New York with some of the worst sweatshop conditions in America, where contracts weren't upheld, labor standards were violated, and dues-paying members lost wages and overtime pay. Romney has just been named treasurer of the Change to Win Coalition.

The merger of UNITE and HERE was mostly a marriage of convenience. There's nothing wrong with that except for the pretensions that these unions' every move is guided by strategic vision for industrial density. Hemorrhaging members in the garment and textile trade and abandoning the nation's sweatshops as a lost cause where it hadn't already acceded to them, UNITE started organizing industrial laundries. It did a good job of it in Las Vegas, where those mainly serve the hotels, many of which have contracts with HERE.

But UNITE's two-year effort to unionize the 17,000 workers at Cintas, an industrial cleaner and uniform rental provider, has so far come to grief, and needing to keep up its numbers, merger was the clearest option. UNITE, which has its own bank, the Amalgamated, brought resources to the marriage, and for Wilhelm, who all but declared his desire to unseat Sweeney as AFL chief, the assurance that his union, which is very impressive in some places, would be in friendly hands should he step up.

Now Raynor has received authorization from his executive council to pull out, but complications loom. Organizing national hotel chains, the meat of HERE's business, has always required the support of everyone else in institutional labor to lean on politicians, to cancel conventions or otherwise withhold business. Then there's the matter of all those union funds held on deposit at the Amalgamated Bank. CWArecently withdrew $50 million, a shot across the bow.

So, these are the men who proffer themselves labor's salvation. The tragedy of it is that one could draw up nasty little portraits of just about all the other unions in the federation, which for now are backing Sweeney. Sweeney should not be running again, and Trumka, having lost his purchase on leadership, should not be in a position to succeed him. But first the NUP and now the coalition, without organizing a majority, without the slightest interest in unity or respect or movement as anything but a slogan, essentially put a gun to Sweeney's head and said, "Make our day." Having failed internally at the thing they're supposed to know best – organizing for power — they are now reduced to posturing for it, huffing and puffing to blow the house down. CP

SUBSCRIPTION INFO

Enter/Renew Subscription here:

One year $40 Two yrs $70
($35 email only / $45 email/print)
One year institution/supporters $100
One year student/low income, $30
T-shirts, $17
Please send back issue(s)
_____ ($5/issue)

Name _____

Address _____

City/State/Zip _____

_____

Payment must accompany order, or dial 1-800-840-3683 and renew by credit card. Add $12.50 for Canadian and $17.50 for foreign subscriptions. If you want Counter-Punch emailed to you please supply your email address. Make checks payable to: **CounterPunch**
Business Office
PO Box 228, Petrolia, CA 95558

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

(**Defense** *continued from page 3)*

exams, she finally began to spill the beans.

By Druyun's own account, she had begun to weary of her job at the Air Force in the summer of 2001 and began looking for a high paying position with a defense contractor. The first offer came from Boeing's rival, Lockheed. Druyun negotiated a tentative deal to take a position with Lockheed in 2002. But when word came from Senator Stevens instructing her to proceed with the Boeing tanker lease scheme, Druyun sensed a more robust opportunity.

After all, Boeing had been very responsive to previous employment requests from Druyun. In 2000, Druyun contacted her longtime friend Michael Sears, Boeing's Chief Financial Officer, requesting that he find a job for her daughter's fiancé, Michael McKee. Sears quickly complied, hiring McKee for a position at Boeing's big facility outside St. Louis. Two months later, Druyun was on the phone to Boeing again, this time with a request for the company to hire her daughter, Heather. Again Boeing complied. It was a decision that some in the company quickly regretted. Heather was not up to the task. Her job performance ratings were abysmal, and superiors wanted to fire her. Druyun intervened again, demanding that her daughter's job be saved and her performance ratings upgraded. With the fate $30 billion in Pentagon contracts in Druyun's hands, it didn't take long for Boeing executives to comply.

When Druyun wanted to send her own employment request to Boeing, she deployed Heather as her intermediary. In an email to Michael Sears, Heather said her mother wanted a top level job at Boeing, "along the lines of Chief Operating Officer…something that would blow her out of the water." Heather also conveyed to Sears that her mother had selected Boeing from among her many suitors for the company's "honest values."

In a move fatal to his own future, Sears responded eagerly to Heather's advances on behalf of her mother. Sears contacted Druyun at the Air Force in early 2002 and began negotiations for a $250,000 a year position as deputy director of Boeing's Missile Defense unit, which was sucking up billions a year in Star Wars-related contracts from the Pentagon.

Sears would plead guilty to a single count of "aiding and abetting illegal employment negotiations." He was sentenced to four months, Dryun to nine months, in federal prison.

Among those caught in the backwash of the scandal was Richard Perle, the portly Beelzebub of the neocons. At the time of the Boeing deal, Perle served as a top advisor to Pentagon, sitting on the Defense Policy Board. When questions began to surface about the soaring costs of the lease-arrangement, Perle, after meeting with Boeing executives, wrote an op-ed in the Wall Street Journal defending the deal. He didn't disclose the fact that Boeing had just committed itself to sinking $20 million into Perle's venture capital firm, Trireme Partners, which invests in defense and homeland security related technologies.

In the summer of 2004, Donald Rumsfeld intervened to quash a request for hundreds of pages of documents related to Tankerscam from the Senate Armed Services Committee. Rumsfeld had good reasons to be nervous. The document, which would later form the backbone of the damning Pentagon Inspector General's report, would reveal that the paper trail in the scandal extended far beyond Druyun, the designated scapegoat, and into the highest levels of the Pentagon, including his very own office.

As the deal began to fall apart, Rumsfeld appears to have gotten personally involved in the hunt for a scapegoat. During a Pentagon meeting shortly after Boeing canned Druyun, Rumsfeld is recorded as saying, "in light of that should we take a second look at her involvement in any tanker lease related matters in order to deflect possible criticism from the Armed Services Committee and unfavorable publicity?" Not the emphasis here on "deflection."

So how did it all end? Druyun and Sears landed in prison. Phil Condit, once Boeing's golden boy, lost his job. Roche and Sambur resigned their positions with the Air Force. Undersecretary of Defense for Acquisitions Pete Aldridge, who approved Tankerscam, discreetly retired and executed a deft landing onto the board of Lockheed.

Boeing got a black eye, but the company wasn't barred from bidding on future Air Force contracts and remains in the running for supplying the Air Force with those very same tankers in the near future. And Ted Stevens, the prime mover of Tankerscam, didn't even have to sweat an ethics inquiry. CP

CounterPunch
PO Box 228
Petrolia, CA 95558

The CounterPunch summer schedule means one issue for July and one for August. Phone 1-800-840-3683 for our new summer t-shirts, including the sensational "14 Per Cent" T, which can be viewed on our website.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED